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NSC FOR JOYCE CONNERY  
DOE FOR ANDREW BIENIAWSKI

EO 12958 DECL: 11/05/2019  
TAGS PARM, PREL, KNUC, UP  
SUBJECT: U.S.-UKRAINE NONPROLIFERATION MEETINGS SEPTEMBER  
23-24, 2009

Classified By: Political Counselor Colin Cleary, Reason 1.4 (b, d)

1. (S) Summary: Highlights of this semi-annual U.S.-Ukraine nonproliferation dialogue include:  
--Ukraine gave an inconsistent answer on the question of transferring HEU spent fuel to Russia. --Ukraine asked for additional security assurances

2. (S) In a one-on-one meeting prior to the formal meeting, Nykonenko welcomed Van Diepen to Kyiv. Nykonenko said that Ukraine was very familiar with HEU

3. (C) During the one-on-one meeting, Van Diepen said that it was particularly urgent for Ukraine to approve the shipment of the HEU spent fuel to Russia.  
4. (C) In meetings the next day, Vladimir Ryabtsev from Ukraine's National Security and Defense Council (NSDC) explained that all of the technical information about the HEU spent fuel would be sent to Washington and provide an answer to Ukraine soon. (Comment: Other sources have indicated to DC

#### Missile Defense

5. (U) In the one-on-one meeting before the plenary, Nykonenko told Van Diepen that Ukraine had read with interest the new U.S. plan for missile defense

#### Security Assurances

6. (S) The first item Nykonenko raised during the one-on-one meeting was an appeal for additional security assurances for Ukraine, beyond those that are currently in place

7. (U) Van Diepen explained that the United States' Budapest commitment endured and was not tied to the expiration of the START Treaty in December 2012.  
8. (S) Nykonenko introduced the SCUD agenda item by noting that this project is a priority for Ukraine. Ukraine's Ministry of Defense Economic

9. (S) Alexander Dotsenko, from the National Security and Defense Council, added that there are several legal issues for the Cabinet of Ministers to resolve

10. (S) Van Diepen expressed appreciation for the excellent cooperation received from the Ukraine Ministry of Defense in the conduct of the Joint Fact-Finding Mission

11. (S) Nykonenko noted that Ukraine had a dramatic melange problem, with over 16,000 tons of the rocket fuel and the steady deterioration of the fuel

12. (S) Van Diepen explained that NDF contractors are evaluating the technical capability/costs of using the Polish mobile plant that is on site

13. (S) Dotsenko reminded the U.S. of his request to consider eliminating additional melange as part of the SCUD project and stated that Ukraine was committed to doing so

14. (S) Nykonenko explained that, because of Ukraine's budget crisis, the water wash-out removal of SS-24 rocket fuel from the motor cases had been delayed

15. (S) Neil Couch, from the VCI Bureau's START Treaty office, said that the U.S. remains committed to economically feasible, technologically sound solutions

16. (S) Sergei Birin, from the National Space Agency of Ukraine, explained that Ukraine had begun this work with 10 rocket motors. It needed \$250,000 to remove the fuel from each case plus an additional \$15,000 per empty rocket case for expenses related to the work

17. (S) Couch recalled that Ukraine had agreed after four years of intensive negotiations in the START Treaty Joint Compliance and Inspection Mission

18. (S) Van Diepen noted that Ukraine was having detailed technical discussions on these SS-24 elimination issues with DTRA this week. He said that the U.S. was committed to working with Ukraine on these issues

19. (C) Couch said that for several weeks the NRRC link between the U.S. and Ukraine had been out of service. The U.S. had determined that the link was needed

20. (C) Nykonenko said that Ukraine had amended its list of military items subject to export control restrictions. In addition, it had revised its list of dual-use items

21. (S) Tetyana Vidzgovska, State Service of Export Control of Ukraine, stated that Ukraine had implemented the changes to the MTCR Annex agreed in 2008

22. (S) Boris Atamanenko, National Space Agency of Ukraine, stated that Ukraine had transferred MTCR Category I items to the U.S., Russia, Germany, Saudi Arabia, the Republic of Korea, China, and India during the past year. In accordance with its MTCR commitments, Ukraine had transferred 1,000 items

23. (S) Van Diepen then said that the United States was extremely disappointed by this unwelcome news of an MTCR Category I transfer to Saudi Arabia

24. (S) Van Diepen said that Ukraine should consider this discussion a formal request for more information on the Category I transfer to Saudi Arabia

25. (C) On Day 2, Atamanenko clarified that no MTCR Category I items had yet been transferred to Saudi Arabia, but a project had been started to transfer 1,000 items

26. (S) Nykonenko said that Ukraine had participated in the ATT's Open-Ended Working Group meetings in 2009 and was looking forward to the February 2010 meeting

27. (S) Van Diepen said that the United States supports greater responsibility in arms transfers, reducing the destabilizing trade in illicit arms

28. (S) Van Diepen said that there are two types of cases the U.S. wanted to discuss on the second day of the consultations: 1) transfers to Iraq and 2) transfers to Burma

29. (S) Nykonenko said that Ukraine had received the U.S. demarche and was no longer exporting weapons to Burma. Ukraine was just wrapping up its work on this issue

30. (S) ISN/CATR Deputy Director Brian Bachman thanked Nykonenko for the information. He said that the U.S. was still concerned about the export of arms to Burma

31. (S) Van Diepen recalled that when the U.S. had raised with Ukraine in July 2008 that an additional shipment of T-72 tanks, BM-1 GRAD armor launchers, and other weapons

32. (S) Valeriy Lysenko, from Ukraine's Export Control Service, said that the T-72 tank shipment was intended for Kenya. He said Ukraine had received the U.S. demarche

33. (S) Van Diepen gave the Ukrainian side a copy of the contract that clearly lists the GOSS, and asked if the GOU side maintained that the contract was valid

34. (S) Van Diepen continued that he appreciated the sides could have different export control policies, as was their sovereign right. But not all policies are compatible

35. (S) Lysenko said that Ukraine would study the U.S. information and he asserted that Ukraine only had a relationship with Kenya, and did not have a relationship with Burma

Ukraine's Exports of Specialty Metals for Iran's Ballistic Missiles

136. (S) Van Diepen said that, contrary to Ukraine's export control policy, Ukrainian entities, including XXXXXXXXXXXX, were engaged in providing sensitive materials to Iran's ballistic missile program. The United States and Ukraine have discussed in the past the supply by Ukrainian firms of sensitive materials to Iran's ballistic missile program. Specifically, between 2002 and 2007, we repeatedly raised concerns that Ukraine's XXXXXXXXXXXX was engaged in providing the Iranian ballistic missile program with additional materials. In September 2004, the United States imposed sanctions against XXXXXXXXXXXX for transferring items controlled under the Missile Technology Control Regime. Subsequently, in May 2006, we advised you of XXXXXXXXXXXX's continued efforts to supply Iran's ballistic missile program with additional materials. We remain deeply concerned that, given the high-quality of steel that can be purchased from Ukrainian manufacturers, Iran's ballistic missile program has long been difficult for Iran to produce indigenously. As you will recall, in late 2006 we shared with all MTCR Partners information that both of these steels are used by Iran's solid-fueled ballistic missile program in the production of motor cases. We therefore urge you to exercise vigilance in your export control processes, and to take all appropriate measures to ensure that Ukrainian

137. (S) Nykonenko said that Ukraine would look into the matter and provide detailed information to the U.S. Van Diepen said that if Ukraine could provide information on Ukrainian Training to Iran's Malek-Ashtar University of Technology

138. (S) Van Diepen said that we recently shared with the GOU information indicating that as of early 2009, Iran's Malek-Ashtar University of Technology was providing training to Prohres-Pakistan

139. (S) Van Diepen noted that we recently provided information to Ukraine noting the interest in Pakistan's National Engineering and Scientific University

140. (S) Van Diepen said that there is a long history to this case and requested an update from Ukraine. He also provided additional information that we now have new information indicating that in August 2009, XXXXXXXXXXXX was working with representatives of China's Changda Corporation to establish a joint venture. The Shannxi Cansong Machinery Plant is subordinate to the China Aerospace Science and Technology Corporation Tenth Academy and manufactures missiles. Given the possible missile-related end-use of these items, as well as the identity of XXXXXXXXXXXX's potential Chinese partner, we are concerned that we therefore strongly urge you to conduct further inquiries into XXXXXXXXXXXX's dealings with Chinese missile-related entities, and take all

141. Nykonenko said that Ukraine is still reviewing the U.S. information on these matters. (NOTE: Ukraine provide a written update on this case)

G8 Global Partnership/Combating Nuclear Smuggling

142. (U) Viktor Ryazantsev of the State Committee for Nuclear Regulation, Mykola Proskura of the Ministry for Emergency Situations, and Oleksandr

143. (U) NSOI Coordinator Mike Stafford agreed with them that the two sides had made remarkable progress on these projects and added that their implementation of the assistance projects were designed to facilitate. Stafford noted that the USG had just received from the Ukrainian Embassy evidence that

144. (U) On behalf of ISN/CTR, Stafford expressed U.S. appreciation for the provision of a temporary location for the Science and Technology Center

Electron

145. (U) Proskura said that, after two years of negotiations, the U.S. and Ukraine had signed a contract September 24 on the removal and storage of

146. (C) Leach said that this contract demonstrated Ukraine's strong commitment to nonproliferation. The sides would begin by securing the source of

NATO Partnership for Peace Destruction Project

147. (U) PM/WRA Deputy Director Steven Costner noted that the sides would have detailed technical discussions the next day on this topic, but he

148. (U) Costner emphasized that the USG had committed to engage the GOU on its proposal to convert the balance of the SA/LW into replicas for

149. (U) Nykonenko expressed appreciation for the good news that the munitions total would be increased to 8000 tons, and expressed confidence that

Biological Threat Reduction Initiative

150. (U) Ludmilla Muherska from the Ministry of Health gave a detailed presentation on Ukraine's efforts to upgrade 18 regional medical laboratories

151. (U) Van Diepen urged Ukraine to identify expeditiously a new location for a Central Reference Laboratory (CRL) that meets DoD/CTR's conditions

152. (U) Muherska said that Ukraine is working on this complex issue and was considering several sites for the CRL. Some of the sites were located in

Side Conversation -- Security Assurances and START Follow-On

153. (S) On the margins of the Nonproliferation talks, Nykonenko had three conversations with VCI/SI Deputy Director Neil Couch to clarify Ukrainian

154. (S) Couch asked Nykonenko to explain why Ukraine needed additional, legally binding security assurances, recalling that the 1994 Budapest Memorandum

155. (U) Participants:

United States:

ISN Acting Assistant Secretary Vann Van Diepen XXXXXXXXXXXX

156. ISN Acting Assistant Secretary Van Diepen cleared this cable. PETTIT